

**TENNESSEE DEPARTMENT OF ENVIRONMENT AND CONSERVATION
DIVISION OF UNDERGROUND STORAGE TANKS
OFFICE OF THE DIRECTOR**

REVISED

Policy Memo

DATE: October 12, 2004

**TO: All Tank Owners, Tank Operators, Petroleum Site Owners,
Corrective Action Contractors and UST Division Staff**

FROM: Stanley R. Boyd

**SUBJECT: Reimbursement Policy for the Cost of Completing and Filing a
Tennessee UST Reimbursement Request¹**

The facts are that the demands upon the fund have continued to rise, due to a number of factors, while the revenue streams which are the source of fund dollars have remained relatively constant. Due to the resulting increased need to be better stewards of the fund, the Division of Underground Storage Tanks (the Division) is re-evaluating many of its existing practices. One outcome of the evaluation of what the fund pays for relates to the completion of the application or claim form.

It shall be policy of the Tennessee Division of Underground Storage Tanks **not to reimburse** a tank owner, tank operator or petroleum site owner for the cost of completing and submitting a Tennessee UST Reimbursement Request form. Filling out this form is not a corrective action. It does not cause risk to human health and safety or to the environment to be reduced or eliminated. This policy shall apply to all Tennessee UST Reimbursement Request forms received by the Division on or after October 1, 2004.

The UST Law (at TCA § 68-215-111(a) and (e)) explains that the fund is available for the reasonable and safe cleanup of petroleum sites and to assist tank owners, tank operators and petroleum site owners (responsible parties) with cleanup of contamination.

The fund is not intended to pay all expenses incurred by responsible parties, as demonstrated by the requirement that these responsible parties pay a deductible for both cleanup and third party claims.

The UST regulations (at rule 1200-1-15-.09(11)) refer to an owner or operator being entitled to coverage of reasonable costs from the Fund. The definition of the term

¹ This policy supercedes the policy of the same name dated October 5, 2004.

reasonable cost (at 1200-1-15-.09(2)(ii)) addresses the cost of corrective action. "Reasonable costs" are determined by the Division of Underground Storage Tanks of the Department of Environment and Conservation.

Because completing the application for reimbursement is not a corrective action, for all applications for reimbursement received by the Division on or after October 1, 2004, the cost of completing the application will be considered to be an unreasonable cost and will not be reimbursable.